



# PUBLIC NOTICE

**Federal Communications Commission**  
**445 12<sup>th</sup> Street, S.W.**  
**Washington, D.C. 20554**

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**DA 02-1943**  
**Released: August 7, 2002**

**DOMESTIC SECTION 214 APPLICATION FILED TO TRANSFER CONTROL OF  
WORLDCOM, INC.'S SHARED TENANT SERVICES TO CYPRESS  
COMMUNICATIONS, INC.**

**STREAMLINED PLEADING CYCLE ESTABLISHED**

**WC Docket No. 02-190**

On July 2, 2002, Cypress Communications Operating Company, Inc. ("Cypress Operating Company"), and WorldCom, Inc. (together "Applicants"), filed an application pursuant to section 214 of the Communications Act of 1934, as amended, 47 U.S.C. § 214 for authorization to transfer to Cypress Operating Company the local and long distance services provided by various WorldCom operating subsidiaries to customers at shared tenant services ("STS") locations.<sup>1</sup>

Applicants assert that this application is subject to streamlined processing under section 63.03(b)(2)(i) of the Commission's rules because the proposed transaction would result in Cypress Operating Company having a market share in the interstate, interexchange market of less than 10 percent, Cypress Operating Company would provide competitive telephone exchange services or exchange access services (if at all) exclusively in geographic areas served by a dominant local exchange carrier that is not a party to the transaction, and neither of the Applicants is dominant with respect to any service.<sup>2</sup>

Cypress Operating Company is a corporation organized and existing under the laws of the State of Delaware with its principal place of business at 15 Piedmont Center, 3575 Piedmont Road, Suite 100, Atlanta, Georgia 30305. Cypress Operating Company is a wholly owned

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<sup>1</sup> The WorldCom subsidiaries include MCI WorldCom Communications, Inc., MCI WorldCom Communications of Virginia, Inc., Intermedia Communications, Inc., Intermedia Communications of Virginia, Inc., and Access Network Services, Inc. (collectively, "WorldCom Applicants").

<sup>2</sup> 47 C.F.R. section 63.03(b)(2)(i).

subsidiary of Cypress Communications (“Cypress”), which, in turn, is a wholly owned subsidiary of U.S. RealTel, Inc. (“U.S. RealTel”). U.S. RealTel is a publicly traded corporation organized under the laws of the State of Delaware with its principal place of business also located at 15 Piedmont Center, 3575 Piedmont Road, Suite 100, Atlanta, Georgia 30305.

Cypress is a provider of bundled telecommunications services to small and medium-sized businesses located in multi-tenant office buildings throughout the United States. Cypress offers customized, fully integrated service bundles that may include some combination of high-speed Internet connectivity, e-mail services, fully managed firewall services, web hosting, virtual private networks, feature rich digital desktop stations, local, long distance and toll free services, calling cards, audio and web conferencing and digital business television. Cypress delivers these services over fiber-optic, digital, and broadband networks that it designs, constructs, owns, and operates inside large and medium sized office buildings.

The shared tenant services consist generally of a package of single-source, managed communications solutions to small and medium-sized businesses that are offered on a location-specific basis to tenants in multi-tenant office buildings and complexes. Applicants assert that in connection with a review of its business lines, WorldCom has decided to focus its business plans in areas other than the highly specialized shared tenant services market. Accordingly, Cypress Communications, WorldCom, and certain WorldCom subsidiaries have entered into an Asset Purchase Agreement (“Agreement”) dated as of May 31, 2002, whereby Cypress will acquire WorldCom’s shared tenant service business nationwide, including the provision of local and long distance telephone services currently provided by the WorldCom Applicants to STS customers. WorldCom will assign to Cypress through an asset sale WorldCom’s STS operations, including approximately 6000 business and residential customers located in 32 states and the District of Columbia.

Applicants assert that this proposed transaction will not result in a loss or impairment of service. Applicants emphasize that the proposed transaction will be virtually transparent to existing customers with respect to the services that they receive. Following the transition of the STS business from WorldCom to Cypress, Cypress will provide service to the STS customers under the same rates, terms and conditions as those customers currently receive service from the WorldCom Applicants. Applicants assert that they seek to complete the proposed transaction on an expedited basis so that the transition can be made to a service provider who is focused on the STS line of business and who can integrate the acquired operations into its existing STS business and thereby expand and improve its ability to offer valuable high quality service to this market segment.

## **GENERAL INFORMATION**

The transfer of control application identified herein has been found, upon initial review, to be acceptable for filing as a streamlined application. The Commission reserves the right to return any transfer of control application if, upon further examination, it is determined to be defective and not in conformance with the Commission's rules and policies. Interested parties may file **comments within 14 days** and **reply comments within 21 days** of this notice.<sup>3</sup> Unless otherwise notified by the Commission, an applicant is permitted to transfer control of the domestic lines or authorization to operate on the 31<sup>st</sup> day after the date of this notice. Comments may be filed using the Commission's Electronic Comment Filing System (ECFS) or by filing paper copies. *See Electronic Filing of Documents in Rulemaking Proceedings*, 63 Fed. Reg. 24121 (1998).

Comments filed through the ECFS can be sent as an electronic file via the Internet to <<http://www.fcc.gov/e-file/ecfs.html>>. Generally, only one copy of an electronic submission must be filed. If multiple docket or rulemaking numbers appear in the caption of this proceeding, however, commenters must transmit one electronic copy of the comments to each docket or rulemaking number referenced in the caption. In completing the transmittal screen, commenters should include their full name, U.S. Postal Service mailing address, and the applicable docket or rulemaking number. Parties may also submit an electronic comment by Internet e-mail. To get filing instructions for e-mail comments, commenters should send an e-mail to [ecfs@fcc.gov](mailto:ecfs@fcc.gov), and should include the following words in the body of the message, "get form <your e-mail address>." A sample form and directions will be sent in reply.

Parties who choose to file by paper must file an original and four copies of each filing. If more than one docket or rulemaking number appear in the caption of this proceeding, commenters must submit two additional copies for each additional docket or rulemaking number. Filings can be sent by hand or messenger delivery, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail (although we continue to experience delays in receiving U.S. Postal Service mail). The Commission's contractor, Vistrionix, Inc., will receive hand-delivered or messenger-delivered paper filings for the Commission's Secretary at 236 Massachusetts Avenue, N.E., Suite 110, Washington, D.C. 20002. The filing hours at this location are 8:00 a.m. to 7:00 p.m. All hand deliveries must be held together with rubber bands or fasteners. Any envelopes must be disposed of before entering the building. Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9300 East Hampton Drive, Capitol Heights, MD 20743. U.S. Postal Service first-class mail, Express Mail, and Priority Mail should be addressed to 445 12th Street, SW, Washington, D.C. 20554. All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission.

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<sup>3</sup> See 47 C.F.R. section 63.03(a).

**In addition, one copy of each pleading must be sent to each of the following:**

- (1) the Commission's duplicating contractor, Qualex International, 445 12<sup>th</sup> Street, S.W., Room CY-B402, Washington, D.C. 20554; e-mail: [qualexint@aol.com](mailto:qualexint@aol.com); facsimile: (202) 863-2898; phone: (202) 863-2893.
- (2) Tracey Wilson, Competition Policy Division, Wireline Competition Bureau, 445 12<sup>th</sup> Street, S.W., Room 5-C437, Washington, D.C. 20554; e-mail: [twilson@fcc.gov](mailto:twilson@fcc.gov), and
- (3) Bill Dever, Competition Policy Division, Wireline Competition Bureau, 445 12<sup>th</sup> Street, S.W., Room 5-C266, Washington, D.C. 20554; e-mail: [wdever@fcc.gov](mailto:wdever@fcc.gov); and
- (4) Nandan Joshi, Office of General Counsel, 445 12<sup>th</sup> Street, S.W., Room 8-A820, Washington, D.C. 20554; e-mail: [njoshi@fcc.gov](mailto:njoshi@fcc.gov).

Filings and comments are also available for public inspection and copying during regular business hours at the FCC Reference Information Center, Portals II, 445 12th Street, SW, Room CY-A257, Washington, DC, 20554. They may also be purchased from the Commission's duplicating contractor, Qualex International, Portals II, 445 12th Street, SW, Room CY-B402, Washington, DC, 20554, telephone 202-863-2893, facsimile 202-863-2898, or via e-mail [qualexint@aol.com](mailto:qualexint@aol.com).

For further information, please contact Tracey Wilson, at (202) 418-1394 or Bill Dever, Competition Policy, Wireline Competition Bureau at (202) 418-1578.

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